

25 October 2023



AMTEL HOLDINGS BERHAD
[199601037096 (409449-A)]
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD FINANCIAL QUARTER ENDED
31 AUGUST 2023

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2023

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	CURRENT PERIOD QUARTER 31-08-2023	PRECEDING YEAR CORRESPONDING QUARTER 31-08-2022	CURRENT PERIOD 31-08-2023	PRECEDING YEAR CORRESPONDING PERIOD 31-08-2022
	RM'000	RM'000	RM'000	RM'000
Revenue	19,001	14,198	53,266	45,125
Operating expenses	(17,394)	(14,045)	(48,716)	(42,937)
Other operating income	299	231	692	618
Profit from operations	1,906	384	5,242	2,806
Finance costs	(17)	(15)	(51)	(46)
Share of results of associates	57	(70)	188	7
Profit before tax	1,946	299	5,379	2,767
Income tax expense	(526)	(134)	(1,550)	(764)
Profit for the financial period	1,420	165	3,829	2,003
Other comprehensive income, net of tax <i>Items that may be reclassified subsequently to Profit or Loss:</i>				
Foreign currency translation	-	9	-	20
Total comprehensive income for the financial period	1,420	174	3,829	2,023
<u>Profit for the financial period attributable to:-</u>				
Owners of the Company	1,420	165	3,829	2,003
<u>Total comprehensive income attributable to:-</u>				
Owners of the Company	1,420	174	3,829	2,023
Earnings Per Share:-				
Basic (sen)	1.48	0.17	4.01	2.05
Diluted (sen)	1.41	0.17	3.80	2.05

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial report.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2023

(The figures have not been audited)

	<u>UNAUDITED</u>	<u>AUDITED</u>
	AS AT CURRENT FINANCIAL PERIOD ENDED 31/08/2023	AS AT PRECEDING FINANCIAL YEAR ENDED 30/11/2022
Note	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, Plant and Equipment	27,359	27,781
Investment Properties	4,112	3,367
Investments in Associates	1,246	1,309
Other Investments	250	250
Deferred Tax Assets	459	357
	33,426	33,064
Current Assets		
Inventories	5,911	5,495
Trade & Other Receivables	9,340	14,036
Contract Assets	5,727	5,693
Other Investments	12,136	9,590
Cash Deposits with Licensed Banks	5,374	6,293
Cash and Bank Balances	17,725	8,349
	56,213	49,456
	89,639	82,520
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share Capital	(1) 40,537	40,149
Treasury Shares	(1,858)	(1,305)
Reserves	31,276	27,447
Total Equity	69,955	66,291
Non-Current Liabilities		
Lease Liabilities	166	100
Deferred Tax Liabilities	104	104
	270	204
Current Liabilities		
Trade & Other Payables	13,482	10,388
Contract Liabilities	1,333	2,620
Provisions	2,580	1,799
Short Term Borrowings	723	587
Tax Liabilities	1,235	565
Lease Liabilities	61	66
	19,414	16,025
Total Liabilities	19,684	16,229
	89,639	82,520
TOTAL EQUITY AND LIABILITIES		
Net Assets Per Share (RM)	(2) 0.7341	0.6938

Notes:

(1) Kindly refer to Paragraph 7 of Page 6 of Notes to this interim financial report.

(2) The net asset per share of the Company is calculated based on the net assets at the end of the reporting period of RM69.96 million (30.11.2022: RM66.29 million) divided by the number of shares in issue at the end of the reporting period of 95,298,532 (30.11.2022: 95,553,682), after deducting 2,852,900 units of treasury shares (30.11.2022: 2.00 million units).

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial report.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2023 (The figures have not been audited)

	<----- Attributable to Owners of the Company ----->					
	Share Capital RM'000	Treasury Shares RM'000	Fair Value Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Total Equity RM'000
9 months ended 31 August 2023						
At 1 December 2022	40,149	(1,305)	159	54	27,234	66,291
Transactions with owners:						
Share repurchased	-	(553)	-	-	-	(553)
Issuance of shares pursuant to exercise of warrants	388					388
Total transactions with owner	388	(553)	-	-	-	(165)
Comprehensive Income:						
Profit for the financial period	-	-	-	-	3,829	3,829
Foreign currency translation	-	-	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-	3,829	3,829
At 31 August 2023	40,537	(1,858)	159	54	31,063	69,955
9 months ended 31 August 2022						
At 1 December 2021	40,149	-	159	41	25,144	65,493
Transactions with owners:						
Shares repurchased	-	(1,305)	-	-	-	(1,305)
Comprehensive Income:						
Profit for the financial period	-	-	-	-	2,003	2,003
Foreign currency translation	-	-	-	20	-	20
Total comprehensive income for the financial period	-	-	-	20	2,003	2,023
At 31 August 2022	40,149	(1,305)	159	61	27,147	66,211

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial report.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**FOR THE FINANCIAL PERIOD ENDED 31 AUGUST 2023**

(The figures have not been audited)

	CURRENT FINANCIAL PERIOD ENDED 31/08/2023 RM'000	PRECEDING FINANCIAL PERIOD ENDED 31/08/2022 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,379	2,767
Adjustments for:-		
Non-cash items	952	1,129
Non-operating items	(685)	(507)
Share of results of associates	(188)	(7)
Operating profit before changes in working capital	5,458	3,382
Changes in working capital		
Contract assets	(1,321)	(1,568)
Inventories	(416)	1,183
Net changes in current assets	4,726	(1,732)
Net changes in current liabilities	4,156	(2,957)
Cash generated from/(used in) operations	12,603	(1,692)
Interest received	216	132
Dividend received	27	44
Interest paid	(51)	(46)
Net income tax paid	(1,099)	(1,105)
Net cash from/(used in) operating activities	11,696	(2,667)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(545)	(454)
Proceeds from disposal of property, plant and equipment	1	98
Proceeds from disposal of quoted equity securities	26	-
Acquisition of quoted equity securities	-	(162)
(Placement)/Withdrawal of fixed income funds	(2,497)	(4,471)
Changes in pledged cash & cash equivalent under lien	996	2,388
Distribution income from income funds	110	113
Additions to investment properties	(750)	-
Net repayments from associates	202	-
Dividend received from an associate	228	-
Net cash used in investing activities	(2,229)	(2,488)
CASH FLOW FROM FINANCING ACTIVITIES		
Net payments of finance lease	(76)	(66)
Purchase of treasury shares	(553)	(1,305)
Proceeds from issuance of new shares	388	-
Net cash used in financing activities	(241)	(1,371)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	9,226	(6,526)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	7,776	12,874
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	17,002	6,348
Cash and cash equivalents at end of the financial period comprise of:-		
Cash at banks and in hand	17,725	7,197
Cash deposits with licensed banks	5,374	6,266
Bank overdrafts	(723)	(849)
	22,376	12,614
Less: Cash deposits with licensed banks under lien	(5,374)	(6,266)
	17,002	6,348

Note:

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to the interim financial report.

/AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD FINANCIAL QUARTER ENDED 31 AUGUST 2023

NOTES TO THE INTERIM FINANCIAL REPORT

PART (A): EXPLANATORY NOTES PURSUANT TO MFRS 134: *INTERIM FINANCIAL REPORTING*

1. Basis of Preparation

This interim financial report of Amtel Holdings Berhad group of companies (“the Group”) are unaudited and has been prepared in accordance with the reporting requirements as set out in Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* and Paragraph 9.22 and Appendix 9B of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial report should be read in conjunction with the latest audited financial statements of our Group for the financial year ended 30 November 2022 and the accompanying explanatory notes attached to this interim financial report. These explanatory notes provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 November 2022.

2. Significant Accounting Policies

The accounting policies and methods of computation adopted by the Group in the preparation of this interim financial report are consistent with those used in the preparation of the Group’s audited financial statements for the financial year ended 30 November 2022.

Our Group has not early adopted any new standards, amendments/improvements to MFRSs which are applicable to the Group that have been issued by the Malaysian Accounting Standards Board but are not yet effective for the Group’s current financial period. Nevertheless, the Group and the Company expects that the initial application of the accounting standards, amendments or interpretations are unlikely to have material financial impacts to the current period and prior period financial statements of the Group and the Company.

3. Audit Qualification

The audit report on the Group’s financial statements for the financial year ended 30 November 2022 did not contain any qualification.

4. Seasonal or cyclical Factors

The Group’s operations are not affected by seasonal or cyclical factors during the financial period under review.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows of the Group during the financial period under review.

6. Material Changes in Estimates of Amounts Reported

There were no changes in estimates of amounts reported in the prior financial year or changes in estimates of amount reported in prior financial periods that have a material effect in the current financial period ended 31 August 2023.

7. Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the financial quarter and financial period under review, except for the following:-

(1) Share Capital

The movement in the Company's issued and paid up share capital during the financial period is as follows:-

	Number of ordinary shares		←----- Amount -----→	
	31/8/2023	31/8/2022	31/8/2023	31/8/2022
	Units	Units	RM	RM
At beginning of the financial year	97,553,682	97,553,682	40,148,639	40,148,639
Issuance of shares pursuant to exercise of warrants during the financial period	597,750	-	388,537	-
At end of the financial period	<u>98,151,432</u>	<u>97,553,682</u>	<u>40,537,176</u>	<u>40,148,639</u>

(2) Treasury Shares

On 25 April 2023, the Company repurchased 50,000 shares from the open market at an average price of RM0.68 per share. The total consideration paid for the repurchased shares was RM34,265 and was financed by internally generated funds.

On 2 June 2023, the Company repurchased 802,900 shares from the open market at an average price of RM0.65 per share. The total consideration paid for the repurchased shares was RM518,420 and was financed by internally generated funds

The shares repurchased were retained as treasury shares. As at the current financial period ended 31 August 2023, the Company held a total of 2,852,900 of the Company's shares at a carrying amount of RM1,857,975. The number of outstanding shares in issue as at 31 August 2023 after setting treasury shares off against equity are 95,298,532 (31/8/2022: 95,553,682).

No treasury shares were sold during the current financial quarter and financial period.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

7. Debt and Equity Securities (Cont'd)

(3) Warrants

During the financial period, a total of 528,750 new ordinary shares were issued pursuant to the exercise of 528,750 warrants at the exercise price of RM0.65 per share. The shares were listed and quoted on the Bursa Securities on 17 January 2023, 25 April 2023 and 28 April 2023 respectively. Please refer to our announcements to Bursa Securities on these dates for further details of the above conversions.

The proceeds from the conversion of warrants will be utilized for the Group's working capital requirements and partial repayment of bank borrowings.

The movement in the Company's warrants during the financial period is as follows:-

	<-- Number of warrants (Units) -->	
	Current Period 31/8/2023	Preceding Year Corresponding Period 31/8/2022
At beginning of the financial year	48,776,330	48,776,330
Conversion during the financial period	(597,750)	-
At end of the financial period	<u>48,178,580</u>	<u>48,776,330</u>

8. Dividends Paid

There was no dividend paid during the financial period ended 31 August 2023.

9. Changes in the Composition of the Group

There was no change in the composition of the Group during the current financial period.

10. Valuation of Property, Plant and Equipment

(1) Property, plant and equipment which are stated at cost have been brought forward without amendment from the previous annual financial statements.

(2) There was no material acquisition or disposal of property, plant and equipment by the Group during the financial period other than as mentioned below:-

On 6 June 2023, the Company via its wholly owned subsidiary, namely Metrarama Sdn Bhd completed the acquisition of three (3) units three-storey terrace houses located in Penang upon making final cash payment amounting RM675,000 for the remaining purchase price.

11. Capital and Other Commitments

The Group and the Company has no capital commitment in respect of property, plant and equipment as at 31 August 2023.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

12. Segmental Reporting

The Group's segment information for the financial period ended 31 August 2023 is as follows:-

(i) Major Business Segments

The basis of segmentation and measurement of segment performance is consistent with the basis adopted in the last audited annual financial statements.

9 months ended 31 August 2023

GROUP	Information & Communication Technology ("ICT")	Telecommunications, Infrastructure & Services ("TIS")	Others	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
SEGMENT REVENUE					
External revenue	43,419	9,716	131	-	53,266
Inter-segment revenue	844	-	3,139	(3,983)	-
Total revenue	<u>44,263</u>	<u>9,716</u>	<u>3,270</u>	<u>(3,983)</u>	<u>53,266</u>
SEGMENT RESULTS	ICT	TIS	Others	Consolidated	
	RM'000	RM'000	RM'000	RM'000	
Profit/(Loss) from operations	5,328	569	(655)	5,242	
Finance costs	(13)	(38)	-	(51)	
Share of results of associates	168	20	-	188	
Profit/(Loss) before tax	5,483	551	(655)	5,379	
Income tax expense	(1,528)	(22)	-	(1,550)	
Profit/(Loss) for the period	<u>3,955</u>	<u>529</u>	<u>(655)</u>	<u>3,829</u>	
FINANCIAL POSITION	ICT	TIS	Others	Consolidated	
As at 31 August 2023	RM'000	RM'000	RM'000	RM'000	
Total segment assets	<u>37,951</u>	<u>12,956</u>	<u>38,732</u>	<u>89,639</u>	
Total segment liabilities	<u>12,181</u>	<u>6,470</u>	<u>1,033</u>	<u>19,684</u>	
<u>Other segment information</u>	ICT	TIS	Others	Consolidated	
	RM'000	RM'000	RM'000	RM'000	
Capital expenditure:					
- additions to property, plant and equipment	415	10	236	661	
Depreciation of property, plant and equipment	424	217	441	1,082	
Depreciation of investment property	-	-	15	15	

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

12. Segmental Reporting (Cont'd) (i) Major Business Segments (Cont'd)

9 months ended 31 August 2022

GROUP	ICT RM'000	TIS RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
SEGMENT REVENUE					
External revenue	38,986	5,994	145	-	45,125
Inter-segment revenue	113	-	2,726	(2,839)	-
Total revenue	<u>39,099</u>	<u>5,994</u>	<u>2,871</u>	<u>(2,839)</u>	<u>45,125</u>
SEGMENT RESULTS					
	ICT RM'000	TIS RM'000	Others RM'000	Consolidated RM'000	
Profit/(Loss) from operations	3,759	(241)	(712)	2,806	
Finance costs	(25)	(21)	-	(46)	
Share of results of associates	22	(15)	-	7	
Profit/(Loss) before tax	<u>3,756</u>	<u>(277)</u>	<u>(712)</u>	<u>2,767</u>	
Income tax expense	(764)	-	-	(764)	
Profit/(Loss) for the period	<u>2,992</u>	<u>(277)</u>	<u>(712)</u>	<u>2,003</u>	
FINANCIAL POSITION					
As at 31 August 2022					
Total segment assets	<u>31,785</u>	<u>12,131</u>	<u>35,985</u>	<u>79,901</u>	
Total segment liabilities	<u>8,260</u>	<u>4,395</u>	<u>1,035</u>	<u>13,690</u>	
Other segment information					
	ICT M'000	TIS RM'000	Others RM'000	Consolidated RM'000	
Capital expenditure:					
- additions to property, plant and equipment	106	234	114	454	
Depreciation of property, plant and equipment	628	213	303	1,144	
Depreciation of investment property	-	-	15	15	

(ii) Geographical Segments

The Group operates predominantly in Malaysia and hence, no geographical segment is presented.

13. Significant Event Subsequent to the End of the Interim Period

There was no significant event subsequent to the end of the reporting financial period ended 31 August 2023 that has not been reflected in the financial statements or to be disclosed as at the date of issue of this quarterly report.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

14. Changes in Contingent Liabilities and Contingent assets

There were no changes in contingent liabilities or contingent assets since the last reporting date as at 30 November 2022, except for the following:-

	As At 31/8/2023
Company	
<u>Financial guarantees – Secured</u>	RM'000
The maximum exposure to credit risk amounts representing the outstanding credit facilities of the subsidiaries and associate company guaranteed by the Company	<u>1,411</u>
Group	
<u>Financial guarantees – Secured*</u>	
Bank guarantees	<u>1,037</u>

* *The bank guarantees are secured against the fixed deposits of the subsidiary and associate companies.*

At the reporting date, there was no indication that these subsidiaries and associates will default on its repayments during the guarantee period.

15. Related Party Transactions

There is no related party transaction entered into by the Company and/or its subsidiaries during the financial period.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE THIRD FINANCIAL QUARTER ENDED 31 AUGUST 2023

PART (B): ADDITIONAL INFORMATION PURSUANT TO APPENDIX 9B OF BURSA SECURITIES MAIN MARKET LISTING REQUIREMENTS

1. Review of Performance

Analysis of financial quarter performance

For the third financial quarter ended 31 August 2023, our Group reported a total revenue of RM19.00 million and profit after tax of RM1.42 million as compared to revenue of RM14.20 million and profit after tax of approximately RM165,000 respectively recorded in the preceding year corresponding quarter. The higher revenue and profit after tax during the current quarter was primarily due to substantial increase in sales from the ICT and TIS segments.

Analysis of nine months financial performance

Our Group's delivered a favourable financial result for the nine months financial period ended 31 August 2023, supported by the substantial increase in the sales from both the ICT and TIS segments. The Group's total revenue of RM53.27 million was up by 18.0% as compared to preceding year corresponding period of RM45.13 million.

Our Group achieved a significantly healthier profit after tax of RM3.83 million during the financial period under review as compared to profit after tax of RM2.00 million recorded in preceding year corresponding period resulting from increased sales.

The performance of the respective business segment of the Group is summarised as follows:-

ICT Segment

The performance of ICT segment are summarised as per table below:-

	Current Quarter	Preceding Year Quarter	Changes	Current Year 9 Months	Preceding Year 9 Months	Changes
	31/8/2023 RM'000	31/8/2022 RM'000	%	31/8/2023 RM'000	31/8/2022 RM'000	%
Segment revenue	14,618	12,189	19.9	43,419	38,986	11.4
Segment profit after tax	1,189	575	>100	3,956	2,992	32.2

The sales from ICT segment accounted for approximately 81.5% of the Group's revenue and remains as the main driver for the Group's favourable financial performance.

For the current financial quarter and financial period ended 31 August 2023, ICT segment contributed revenue of RM14.62 million and RM43.42 million respectively, which are higher as compare to RM12.19 million and RM38.99 million respectively reported in the preceding year corresponding quarter and period. Henceforth, ICT segment achieved higher profit after tax in the current financial quarter and period to-date, backed by continued growth in sales.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

1. Review of Performance (Cont'd)

TIS Segment

The performance of TIS segment are summarised as per table below:-

	Current Quarter	Preceding Year Quarter	Changes	Current Year 9 Months	Preceding Year 9 Months	Changes
	31/8/2023 RM'000	31/8/2022 RM'000	%	31/8/2023 RM'000	31/8/2022 RM'000	%
Segment revenue	4,339	1,962	>100	9,716	5,994	62.1
Segment profit/(loss) after tax	353	(80)	>100	528	(277)	>100

TIS segment's financial results improved substantially during the current financial quarter and financial period mainly due to higher sales and profit from the civil infrastructure progress works activities.

Others Segment

The loss reported by the investment holding company attributed mainly to the rental and management fees income not being sufficient to compensate the operating and corporate expenses.

2. Material Changes in the Profit After Tax for the Quarter Reported as Compared with the Immediate Preceding Quarter.

The Group's performance in the current financial quarter and the immediate preceding quarter are summarised as follows:-

Group	Current Quarter	Immediate Preceding Quarter	Changes
	31/8/2023 RM'000	31/5/2023 RM'000	%
Total revenue	19,001	16,579	14.6
Profit before tax	1,946	1,466	32.7
Profit for the financial quarter	1,420	1,003	41.6

Our Group registered a notable growth in the overall financial performance in the current financial quarter as compared to the immediate preceding quarter attributed mainly to the substantial increase in sales from the ICT and TIS business segments.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

3. Commentary on the Group's Prospects

While we continue to focus on prudent cost management and increasing our ICT products offering mainly to our local automotive customers, we are proactively identifying new suppliers and business partners to bring innovative and high-quality products and services to meet their requirement.

Our business expansion in the EV-related products and services is boosted by the government's unity support via various schemes and initiatives to push the production of new energy vehicles ("NEV"), amongst others including the recent announcement of transforming Tanjung Malim into a global high tech automotive hub for NEV.

On this note, the Board expects the Group to deliver a stronger financial performance for this financial year ending 30 November 2023.

4. Variances of Actual Profit from Forecast Profit

Not applicable.

5. Income Tax Expense

The movement in income tax expense for the Group for the current financial quarter and period under review is summarised as follows:-

Group	Current	Preceding	Current	Preceding
	Quarter	Year	Period	Year
	31/8/2023	Corresponding	31/8/2023	Corresponding
	RM'000	Quarter	RM'000	Period
		31/8/2022		31/8/2022
		RM'000		RM'000
<u>Current tax expense:</u>				
Based on results for the financial period	(598)	(134)	(1,652)	(880)
Over provision in prior financial year	-	-	-	116
<u>Deferred tax expense:</u>				
Net reversal of deferred tax assets	72	-	102	-
Tax expense	<u>(526)</u>	<u>(134)</u>	<u>(1,550)</u>	<u>(764)</u>

The effective tax rate of the Group for the financial quarter is higher than the statutory income tax rate mainly due to the losses of certain subsidiaries not being available for set off against taxable profits of other subsidiaries and certain expenses which are not allowed for tax deduction purposes.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

6. Group Borrowings and Debt Securities

The Group's total borrowings (all denominated in Ringgit Malaysia) as at 31 August 2023 are as follows:-

Group	As at 31/8/2023 (Unaudited) RM'000	As at 30/11/2022 (Audited) RM'000
(1) <u>Short Term Borrowings:-</u>		
- <u>Secured</u>		
Overdrafts	723	587
- Lease payables within the next 12 months	<u>61</u>	<u>66</u>
(2) <u>Long Term Borrowings:-</u>		
- Lease payables after the next 12 months	<u>166</u>	<u>100</u>

The Group does not have borrowing denominated in foreign currency and there was no debt security issued.

7. Status of Corporate Proposals

There is no corporate proposal announced, but yet to be completed as at the date of issue of this quarterly report other than as mentioned below.

Long-Term Incentive Plan ("LTIP")

The LTIP which comprises the Employees Share Option Scheme ("ESOS") and the Share Grant Plan ("SGP") of up to fifteen per centum (15%) of the total number of issued shares in the Company (excluding treasury shares of the Company, if any) for the eligible person(s) during the LTIP period, approved by the shareholders at the Extraordinary General Meeting of the Company held on 25 May 2022 was implemented on 3 October 2022. The LTIP shall be in force for a period of five (5) years until 2 October 2027.

During the financial period ended 31 August 2023, there was no ESOS and/or SGP granted or awarded.

8. Material Litigation

The Group is not engaged in any material litigation, claims or arbitration, either as plaintiff or defendant as at the date of issue of this quarterly report.

9. Dividend

The Board of Directors does not recommend any payment of dividend for the current financial period ended 31 August 2023.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

10. Earnings Per Share

(1) Basic earnings per share

The basic earnings per share of the Group is calculated based on the consolidated profit attributable to owners of the Company divided by the weighted average number of ordinary shares in issue during the financial quarter and financial period, excluding treasury shares held by the Company as shown below:-

	Current Quarter 31/8/2023	Preceding Year Corresponding quarter 31/8/2022	Current Period 31/8/2023	Preceding Year Corresponding Period 31/8/2022
Group				
Profit for the financial quarter/period attributable to owners of the Company (RM'000)	1,420	165	3,829	2,003
Weighted average number of shares (unit)	95,901,257	97,401,508	95,579,234	97,502,587
Basic earnings per share (sen)	<u>1.48</u>	<u>0.17</u>	<u>4.01</u>	<u>2.05</u>

(2) Diluted earnings per share

The calculation of diluted earnings per share is based on the consolidated profit attributable to owners of the Company divided by the weighted average number of ordinary shares outstanding during the financial quarter and financial period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:-

	Current Quarter 31/8/2023	Preceding Year Corresponding quarter 31/8/2022	Current Period 31/8/2023	Preceding Year Corresponding Period 31/8/2022
Group				
Profit for the financial quarter/period attributable to owners of the Company (RM'000)	1,420	165	3,829	2,003
Weighted average number of shares for basic earnings per share (unit)	95,901,257	97,401,508	95,579,234	97,502,587
Effect of dilution from warrants (unit)	5,115,984	#	5,115,984	#
Weighted average number of shares for diluted earnings per share (unit)	101,017,241	97,401,508	100,695,218	97,502,587
Diluted earnings per share (sen)	<u>1.41</u>	<u>0.17</u>	<u>3.80</u>	<u>2.05</u>

No dilution effect as the exercise price of warrants was above the average market price.

AMTEL HOLDINGS BERHAD

[199601037096 (409449-A)]
(Incorporated in Malaysia)

11. Notes to the Condensed Consolidated Statement of Comprehensive Income

Total comprehensive income for the current financial quarter and financial period is arrived at after charging/(crediting) the following items:-

	Current Quarter	Preceding Year Corresponding Quarter	Current Period	Preceding Year Corresponding Period
	31/8/2023	31/8/2022	31/8/2023	31/8/2022
	RM'000	RM'000	RM'000	RM'000
1. Interest income	(89)	(54)	(216)	(132)
2. Dividend income	(7)	(6)	(27)	(44)
3. Distribution income				
from income funds	(18)	(44)	(110)	(114)
4. Rental income	-	-	(11)	-
5. Other income excluding interest and dividend income	(1)	(66)	(2)	(82)
6. Interest expense	17	15	51	46
7. Depreciation of property, plant & equipment	337	374	1,082	1,144
8. Depreciation of investment property	5	5	15	15
9. Net gain on disposal of property, plant & equipment	(1)	(65)	(1)	(65)
10. Inventories written down	100	-	177	-
11. Net foreign exchange loss/(gain)	28	(12)	(183)	(98)
12. Net provision of warranty costs	72	100	418	404
13. Fair value (gain)/loss on other investments	(28)	79	36	72
14. Gain on disposal of other investments	-	-	-	(39)

By Order of the Board

CHIN MUN YEE (SSM PC No. 201908002785) (MAICSA 7019243)

HOH YIT FOONG (SSM PC No. 201908000074) (LS0018)

Company Secretaries

25 October 2023